

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1098 be amended to read as follows:

- 1 Page 2, after line 42, begin a new paragraph and insert:
- 2 "SECTION 2. IC 3-9-2-14 IS ADDED TO THE INDIANA CODE
- 3 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 4 1, 2003]: **Sec. 14. (a) This section applies after December 31, 2003.**
- 5 **(b) As used in this section, "employee" has the meaning set forth**
- 6 **in Section 3401(c) of the Internal Revenue Code.**
- 7 **(c) As used in this section, "employer" has the meaning set forth**
- 8 **in Section 3401(d) of the Internal Revenue Code.**
- 9 **(d) An employer (including a corporation) may not deduct any**
- 10 **part of an employee's compensation to make a political**
- 11 **contribution.**
- 12 **(e) A labor organization may not use any part of:**
- 13 **(1) a member's dues; or**
- 14 **(2) a payment collected from a nonmember in place of**
- 15 **membership dues;**
- 16 **to make a political contribution.**
- 17 **SECTION 3. IC 3-9-4-16 IS AMENDED TO READ AS FOLLOWS**
- 18 **[EFFECTIVE JULY 1, 2003]: Sec. 16. (a) In addition to any other**
- 19 **penalty imposed, a person who does any of the following is subject to**
- 20 **a civil penalty under this section:**
- 21 **(1) Fails to file with the election division a report in the manner**
- 22 **required under IC 3-9-5.**
- 23 **(2) Fails to file a statement of organization required under**
- 24 **IC 3-9-1.**

(3) Is a committee or a member of a committee who disburses or expends money or other property for any political purpose before the money or other property has passed through the hands of the treasurer of the committee.

(4) Makes a contribution other than to a committee subject to this article or to a person authorized by law or a committee to receive contributions on the committee's behalf.

(5) Is a corporation or labor organization that exceeds any of the limitations on contributions prescribed by IC 3-9-2-4.

(6) Makes a contribution in the name of another person.

(7) Accepts a contribution made by one (1) person in the name of another person.

(8) Is not the treasurer of a committee subject to this article, and pays any expenses of an election or a caucus except as authorized by this article.

(9) Commingles the funds of a committee with the personal funds of an officer, a member, or an associate of the committee.

(10) Wrongfully uses campaign contributions in violation of IC 3-9-3-4.

(11) Violates IC 3-9-2-12.

(12) Is an employer or a labor organization and violates IC 3-9-2-14.

(b) This subsection applies to a person who is subject to a civil penalty under subsection (a)(1) or (a)(2) for filing a defective report or statement. If the commission determines that a person failed to file the amended report or statement of organization not later than noon five (5) days after being given notice under section 14 of this chapter, the commission may assess a civil penalty. The penalty is ten dollars (\$10) for each day the report is late after the expiration of the five (5) day period, not to exceed one hundred dollars (\$100) plus any investigative costs incurred and documented by the election division. The civil penalty limit under this subsection applies to each report separately.

(c) This subsection applies to a person who is subject to a civil penalty under subsection (a)(1) or (a)(2) for a delinquent report or statement. If the commission determines that a person failed to file the report or statement of organization by the deadline prescribed under this article, the commission shall assess a civil penalty. The penalty is fifty dollars (\$50) for each day the report or statement is late, with the afternoon of the final date for filing the report or statement being calculated as the first day. The civil penalty under this subsection may not exceed one thousand dollars (\$1,000) plus any investigative costs incurred and documented by the election division. The civil penalty limit under this subsection applies to each report separately.

(d) This subsection applies to a person who is subject to a civil penalty under subsection (a)(3), (a)(4), (a)(6), (a)(7), (a)(8), (a)(9), or (a)(10). If the commission determines that a person is subject to a civil

penalty under subsection (a), the commission may assess a civil penalty of not more than one thousand dollars (\$1,000), plus any investigative costs incurred and documented by the election division.

(e) This subsection applies to a person who is subject to a civil penalty under subsection (a)(5). If the commission determines that a person is subject to a civil penalty under subsection (a)(5), the commission may assess a civil penalty of not more than three (3) times the amount of the contribution in excess of the limit prescribed by IC 3-9-2-4, plus any investigative costs incurred and documented by the election division.

(f) This subsection applies to a person who is subject to a civil penalty under subsection (a)(11). If the commission determines that a candidate or the candidate's committee has violated IC 3-9-2-12, the commission shall assess a civil penalty equal to the greater of the following, plus any investigative costs incurred and documented by the election division:

(1) Two (2) times the amount of any contributions received.

(2) One thousand dollars (\$1,000).

(g) This subsection applies to a person who is subject to a civil penalty under subsection (a)(12). If the commission determines that an employer or a labor organization has violated IC 3-9-2-14, the commission shall assess a civil penalty against the employer or labor organization equal to three (3) times the amount of the political contribution made in violation of IC 3-9-2-14, plus any investigative costs incurred and documented by the commission.

(h) All civil penalties collected under this section shall be deposited with the treasurer of state in the campaign finance enforcement account.

~~(h)~~ (i) Proceedings of the commission under this section are subject to IC 4-21.5.

SECTION 4. IC 3-9-4-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 17. (a) In addition to any other penalty imposed, a person who does any of the following is subject to a civil penalty under this section:

(1) Fails to file with a county election board a report in the manner required under IC 3-9-5.

(2) Fails to file a statement of organization required under IC 3-9-1.

(3) Is a committee or a member of a committee who disburses or expends money or other property for any political purpose before the money or other property has passed through the hands of the treasurer of the committee.

(4) Makes a contribution other than to a committee subject to this article or to a person authorized by law or a committee to receive contributions in the committee's behalf.

(5) Is a corporation or labor organization that exceeds any of the

1 limitations on contributions prescribed by IC 3-9-2-4.

2 (6) Makes a contribution in the name of another person.

3 (7) Accepts a contribution made by one (1) person in the name of
4 another person.

5 (8) Is not the treasurer of a committee subject to this article, and
6 pays any expenses of an election or a caucus except as authorized
7 by this article.

8 (9) Commingles the funds of a committee with the personal funds
9 of an officer, a member, or an associate of the committee.

10 (10) Wrongfully uses campaign contributions in violation of
11 IC 3-9-3-4.

12 **(11) Is an employer or a labor organization and violates**
13 **IC 3-9-2-14.**

14 (b) This subsection applies to a person who is subject to a civil
15 penalty under subsection (a)(1) or (a)(2) for filing a defective report or
16 statement. If the county election board determines that a person failed
17 to file the report or a statement of organization not later than noon five
18 (5) days after being given notice under section 14 of this chapter, the
19 county election board may assess a civil penalty. The penalty is ten
20 dollars (\$10) for each day the report is late after the expiration of the
21 five (5) day period, not to exceed one hundred dollars (\$100) plus any
22 investigative costs incurred and documented by the board. The civil
23 penalty limit under this subsection applies to each report separately.

24 (c) This subsection applies to a person who is subject to a civil
25 penalty under subsection (a)(1) or (a)(2) for a delinquent report or
26 statement. If the county election board determines that a person failed
27 to file the report or statement of organization by the deadline prescribed
28 under this article, the board shall assess a civil penalty. The penalty is
29 fifty dollars (\$50) for each day the report is late, with the afternoon of
30 the final date for filing the report or statement being calculated as the
31 first day. The civil penalty under this subsection may not exceed one
32 thousand dollars (\$1,000) plus any investigative costs incurred and
33 documented by the board. The civil penalty limit under this subsection
34 applies to each report separately.

35 (d) This subsection applies to a person who is subject to a civil
36 penalty under subsection (a)(3), (a)(4), (a)(6), (a)(7), (a)(8), (a)(9), or
37 (a)(10). If the county election board determines that a person is subject
38 to a civil penalty under subsection (a), the board may assess a civil
39 penalty of not more than one thousand dollars (\$1,000), plus any
40 investigative costs incurred and documented by the board.

41 (e) This subsection applies to a person who is subject to a civil
42 penalty under subsection (a)(5). If the county election board determines
43 that a person is subject to a civil penalty under subsection (a)(5), the
44 board may assess a civil penalty of not more than three (3) times the
45 amount of the contribution in excess of the limit prescribed by
46 IC 3-9-2-4, plus any investigative costs incurred and documented by

1 the board.

2 (f) **This subsection applies to a person who is subject to a civil**
 3 **penalty under subsection (a)(11). If the county election board**
 4 **determines that an employer or a labor organization has violated**
 5 **IC 3-9-2-14, the county election board shall assess a civil penalty**
 6 **against the employer or labor organization equal to three (3) times**
 7 **the amount of the political contribution made in violation of**
 8 **IC 3-9-2-14, plus any investigative costs incurred and documented**
 9 **by the board.**

10 (g) All civil penalties collected under this section shall be deposited
 11 with the county treasurer to be deposited by the county treasurer in a
 12 separate account to be known as the campaign finance enforcement
 13 account. The funds in the account are available, with the approval of
 14 the county fiscal body, to augment and supplement the funds
 15 appropriated for the administration of this article.

16 ~~(g)~~ (h) Money in the campaign finance enforcement account does
 17 not revert to the county general fund at the end of a county fiscal year.

18 ~~(h)~~ (i) Proceedings of the county election board under this section
 19 are subject to IC 4-21.5".

20 Renumber all SECTIONS consecutively.

(Reference is to HB 1098 as printed February 21, 2003.)

Representative Behning